

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

Proposing rule making related to MEPD program premium amounts and providing an opportunity for public comment

The Human Services Department hereby proposes to amend Chapter 75, “Conditions of Eligibility,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 249A.3.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 249A.3.

Purpose and Summary

This proposed amendment adjusts federal poverty level (FPL) increments used to assess premiums for applicants and recipients with income over 150 percent of the FPL under the Medicaid for Employed People with Disabilities (MEPD) program.

Iowa Code section 249A.3(2)“a”(1)(b) requires that the maximum premium payable by an individual whose income exceeds 150 percent of the official poverty guidelines shall be commensurate with the cost of state employees’ group health insurance in this state. The average cost to the state for state employees’ health insurance for a single person is \$829 effective January 1, 2020. Therefore, the maximum premium cannot be above that amount.

The new premium scale updates the increase in the maximum premium allowed to reflect the increase in the cost of state employees’ health insurance by adding an additional premium tier (1,550 percent of the FPL and above equals the \$829 premium). All other amounts will be increased a small amount.

Fiscal Impact

The impact to members from the increase in premiums is expected to be minimal, so the savings to the State from the premium increase also would be minimal. Based on current members, the average monthly premium increase is expected to be approximately \$1.20. With approximately 4,200 members paying premiums each month, this equates to an annual revenue increase of approximately \$61,000 (total), of which \$23,000 is the State share.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on July 7, 2020. Comments should be directed to:

Nancy Freudenberg
Department of Human Services
Hoover State Office Building, Fifth Floor
1305 East Walnut Street
Des Moines, Iowa 50319-0114
Email: appeals@dhs.state.ia.us

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend subparagraph **75.1(39)“b”(3)** as follows:

(3) Premiums shall be assessed as follows:

IF THE INCOME OF THE APPLICANT IS ABOVE:	THE MONTHLY PREMIUM IS:
150% of Federal Poverty Level	\$34 <u>\$35</u>
165% of Federal Poverty Level	\$47 <u>\$48</u>
180% of Federal Poverty Level	\$56 <u>\$57</u>
200% of Federal Poverty Level	\$66 <u>\$67</u>
225% of Federal Poverty Level	\$77 <u>\$79</u>
250% of Federal Poverty Level	\$89 <u>\$92</u>
300% of Federal Poverty Level	\$112 <u>\$115</u>
350% of Federal Poverty Level	\$137 <u>\$140</u>
400% of Federal Poverty Level	\$161 <u>\$165</u>
450% of Federal Poverty Level	\$186 <u>\$190</u>
550% of Federal Poverty Level	\$232 <u>\$237</u>
650% of Federal Poverty Level	\$280 <u>\$286</u>
750% of Federal Poverty Level	\$329 <u>\$337</u>
850% of Federal Poverty Level	\$389 <u>\$398</u>
1000% of Federal Poverty Level	\$467 <u>\$477</u>
1150% of Federal Poverty Level	\$547 <u>\$559</u>
1300% of Federal Poverty Level	\$631 <u>\$644</u>
1480% of Federal Poverty Level	\$729 <u>\$744</u>
<u>1550% of Federal Poverty Level</u>	<u>\$829</u>